

**CLIENT ALERT**

EEOC Announces Intent to Require Pay Data from Employers

Pay equity has become a hot-button issue of late. Numerous laws purport to guarantee equal pay for equal work, but research suggests that there is lingering pay disparity across genders and races. In an effort to combat pay discrimination, the EEOC has recently announced that in 2017 it will require employers with 100 or more employees and federal contractors to provide the EEOC with information regarding employees' pay.

Employers with 100 or more employees and federal contractors are already required to provide the EEOC with data regarding the gender and racial/ethnic makeup of their workforce on an annual basis using the EEOC's "EEO-1" form. The EEOC now advises that it plans to revise its EEO-1 form to include information on pay ranges and hours worked, beginning in September 2017.

According to the EEOC, obtaining this pay data would provide insight into pay disparities across industries and occupations. The EEOC plans to compile and publish aggregated data in order to assist employers in analyzing their pay practices to facilitate voluntary compliance as well as to allow the EEOC and the Department of Labor to assess complaints of discrimination and identify existing pay disparities that may warrant further examination.

The EEOC's proposal was published in the Federal Register on February 1, 2016, and is subject to public comment through April 1, 2016. Given both the burden imposed upon employers in providing pay data for every employee and the anti-competitive implications of this requirement, we would expect strong opposition from powerful industry groups. Accordingly, the EEOC's proposed requirements may ultimately change. For now employers with more than 100 employees should consider assessing their current method of monitoring and recording pay information to determine whether a new system should be implemented to ease the transition to the proposed revised EEO-1 form. We will keep you apprised of any developments.

If you have questions or would like additional information, please contact Amanda M. Fugazy ([afugazy@egsllp.com](mailto:afugazy@egsllp.com)), Paul P. Rooney ([prooney@egsllp.com](mailto:prooney@egsllp.com)), Valerie J. Bluth ([vbluth@egsllp.com](mailto:vbluth@egsllp.com)) or the primary EGS attorney with whom you work.

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